UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
LIMITED

DP/1993/L.10/Add.16
18 June 1993

ORIGINAL: ENGLISH

Fortieth session
1-18 June 1993, New York
Agenda item 10 (e)

REPORT OF THE DRAFTING GROUP TO THE PLENARY

Office for Project Services

The Governing Council,

Recalling General Assembly resolutions 47/199 of 22 December 1992 and 47/212 B of 6 May 1993,

Bearing in mind that the strengthening of the role of the United Nations Development Programme as a central funding and coordinating agency is an integral part of the restructuring proposals of the Secretary-General,

Also bearing in mind that the activities of the Office for Project Services should be part of a coordinated approach to development by the United Nations system,

Concerned to ensure that the Office for Project Services is able further to improve its existing levels of efficiency, flexibility and cost-effectiveness,

1. Takes note of Governing Council documents DP/1993/20 and DP/1993/70;

2. Also takes note of the fact that the present supervisory responsibilities for the Office for Project Services of the Governing Council, the Economic and Social Council and the General Assembly, including the responsibility of the Governing Council for approving the administrative budget of the Office for Project Services, will remain unchanged;

3. Underlines the continuing need for transparent reporting on the activities of the Office for Project Services, including through the timely provision of annual financial statements and audit reports;

4. Requests the Secretary-General to report to the Governing Council at its forty-first session (1994) on the steps taken to integrate functions and eliminate duplication between the Department for Development Support and Management Services and the Office for Project Services;

5. Accepts the outlined modalities for the transfer of the Office for Project Services as set out in document DP/1993/70, subject to the following requirements and on the understanding that the modalities will be clarified further and solutions reached prior to the transfer taking place and that the date of 1 January 1994 should be regarded as a target date pending review by the General Assembly, taking into account the views expressed by the Advisory Committee on Administrative and Budgetary Questions in its report (DP/1993/46):

(a) The Office for Project Services must have the maximum possible degree of autonomy;

(b) The Office for Project Services must continue to work in close collaboration with the United Nations Development Programme and, in particular, should ensure that the present close links with resident representatives in the field are maintained, including through the fullest appropriate use of the services of United Nations Development Programme field offices on a reimbursable basis with adequate accountability;

(c) The Office for Project Services must develop further its collaboration with other parts of the United Nations system including, in particular, with the specialized agencies;

(d) The Office for Project Services must have the ability to maintain its high level of expertise and staff commitment by being able to retain, develop and recruit high quality staff, including through the maintenance of the present rotation mechanism with the United Nations Development Programme, the retention of its existing practices and procedures relating to staff development and mobility and by the establishment of appropriate arrangements with the United Nations Secretariat;

(e) The Office for Project Services must remain fully self-financing with the capacity to adapt operational processes as necessary, and, in order to meet contingencies, it must have a reserve fund, the volume and maintenance of which is to be determined by the Council, based on proposals submitted by the Office for Project Services Management Board;

(f) The Office for Project Services must have the freedom to utilize the most cost-effective central services, including those of the United Nations Secretariat or the United Nations Development Programme;

(g) The Office for Project Services must retain and improve further its present Rules of Procurement;

(h) The Office for Project Services must have the power to negotiate and conclude agreements for its implementation services with recipient Governments, United Nations departments, the United Nations Development Programme, bilateral donors and international financing institutions with due regard to the principles of multilateral assistance;

6. Supports the continuing role to be played by the United Nations Development Programme in the development of, and as signatories to, Management Services Agreements, as specified in paragraph 7 of the report of the Administrator (DP/1993/20);

7. Stresses that the Office for Project Services should not develop fund-raising capacities;

8. Requests the Administrator, together with the Department for Development Support and Management Services and other relevant bodies, to prepare a timetable for the transfer of the Office for Project Services, indicating when implementation arrangements are to be in place and what they are to be;

9. Requests the Secretary-General, in collaboration with the Administrator, to address the concerns of the Governing Council expressed in the present decision and, in particular, those in paragraph 5 (a)-(h), in the context of preparing and submitting the proposed programme budget for 1994-1995;

10. Also requests the Secretary-General, in close cooperation with the Administrator, to present detailed information regarding the arrangements to give effect to the principles in paragraph 5 (d) by 1 September 1993;

11. Further requests the Administrator, in collaboration with the Secretary-General, to convene informal consultations on the modalities, as detailed in the proposed programme budget for 1994-1995, prior to their consideration by the General Assembly, which should be held at the earliest convenient date, taking into account the timing of their review by the Advisory Committee on Administrative and Budgetary Questions;

12. Decides to reconvene, if necessary, for a one-day special session to make any appropriate recommendations on the modalities detailed in the proposed programme budget for 1994-1995 and commented upon by the Advisory Committee on Administrative and Budgetary Questions and on the information provided by the Secretary-General on staffing arrangements, prior to consideration of the issue by the General Assembly at its forty-eighth session (1993);

13. Decides to review the impact of the transfer of the Office for Project Services on the activities and functions of the United Nations Development Programme at its forty-first session (1994) on the basis of a report by the Administrator;

14. Decides to review the implementation of the staffing arrangements of the Office for Project Services at its forty-second session (1995) on the basis of a report by the Secretary-General.